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(Part II: Far East)

1. Summary of Program

A. Tasks Assigned Mutual Security Agency

No tasks per se have been assigned MSA for the Far East area in the overall psychological program. In the four Far East countries participating in the Mutual Security Program -- Formose, The Associated States of Indechina, Philippines and Thailand -- the MSA Missions provide extensive technical assistance designed to strengthen both governments and communities through the improvement of public health, food production, education and public administration and through the more effective utilization of their national resources.

In Formesa, MSA is also providing economic aid to counter inflationary pressures, to bolster the government budget and to support the military build-up through the importation of supplies, such as petroleum, food and cotton, required by the armed forces, and through the construction of jointuse facilities, such as roads, bridges, ports, warehouses and barracks. In Indochina, MSA also provides direct military support by constructing joint-use facilities, assisting in the care and rehabilitation of war refugees and by financing relocation projects designed to aid in the pacification of North Viet Nem. In the Philippines, MSA has the corellary task of inducing the Philippine Covernment to undertake the extensive administrative and legislative changes which the Bell Mission deemed essential to the creation of

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political and economic stability. The psychological effects grow out of such technical assistance and economic aid programs. The data given in the fellowing pages are presented against this background.

B. Mothods and Techniques Employed in Accomplishing These Tasks

MSA Missions have carried on three types of informational work.

First, they have conducted general information activities designed to increase understanding and to secure public acceptance of the MSA program. Second, they have disseminated specific information in order to secure the requisite wide-scale participating in programs to improve health practices and agricultural techniques. Third, they have strengthened the information services of the participating governments.

This work has been carried on through the usual channels of press and photo stories, newsreels, metion pictures and radio programs; wall newspapers, posters, picture leaflets, pamphlets, calendars, regular magazines and the like. In some instances this work has led to the establishment of photo laboratories, motion picture production units, radio transmission stations and printing plants.

C. Concepts of Operations in the Far East

The high level of illiteracy has required emphasis upon the use of pictorial forms of communication; motion pictures, posters, picture leaflets, carteon strips and exhibits. MSA believes that the tangible accomplishments of the aid programs constitute the most convincing proof of $U_{\rm K}$ $S_{\rm K}$ friendship and support.

D. What Success was Achieved in Carrying out the Assigned Tasks



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All the Far East Missions have publicated the contribution made by MSA toward improving health, food production and the general economic well-being of the people.

In Formose, MSA, the Jeint Commission on Rural Reconstruction (JCRR) and USIS jointly sponsor the magazine "Harvest," which supplies the farming people with agricultural information as well as with international and local news items. This magazine has reached actrculation of \$12,000 and has been so successful that it may be possible to place it upon an entirely self—supporting basis within the coming year. More than 300 farmers' associations, organized with the help of the JCRR, are well-provided with MSA and JCRR material such as posters and pemphlets explaining the projects undertaken by the JCRR. These projects and MSA activities in general are well publicized by the local press and radio and enjoy wide popular support.

In Viet Nam, "Countryside," the farmers' journal published by the Vietnamese Government with NBA financing and technical assistance, has reached a circulation of 50,000. MSA and USIS also sponsored a highly successful exhibit at the big "Kermesse," a fair attended by more than 1,200,000 people. This exhibit, based on the theme, "Toward Peace in Viet Nam," depicted the natural resources of Viet Nam, the nations friendly to Viet Nam, and the military, economic and productive power that supports the free world in its efforts to establish peace and security. The Mission has supported the government's information service by providing training in the use of informational media to specialists selected by the French and by Viet Nam. The radio programs prepared with MSA assistance and designed to explain the policies of the Associated States Covernments to village audiences are increasing in popularity.

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In Thailand, the use of joint USIS and MSA exhibits has expended with the Thai Government duplicating many of the exhibits and giving them further circulation. A substantial pertion of both the town and rural population see these exhibits at numerous fairs where the response has been gratifying.

In the Philippines, MSA has assisted the Government in developing its information services, thereby enabling it to increase its support smong the people. Economic assistance, designed to improve the status of the farmer-on-the-land and of the urban worker, provided in comjunction with U. S. military aid under the M.D.A.P., has substantially contributed to the Philippine Government's efforts to establish peace and order.

- E. New to be reported.
- F. Ancillary Results None.
- G. Major Obstacles

In Fermose, a major objective of MMA assistance is to achieve economic stability which is essential to the maintenance of confidence in the competence and permanence of the National Government of the Republic of China. A major obstacle to the achievement of this objective is the necessity for supporting a 550,000-man military establishment which makes no contribution to the economy of the island.

In Indochina, the technical assistance program has been handicapped to some extent by the terms of the basic agreements between France and the Associated States which provide that non-French technical experts shall be employed only when French experts are not available. This provision has been a serious obstacle only in the field of public administration.

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In the Philippines and Thailand the major obstacles to the achievement of MEA objectives are those inherent in all underdeveloped economies -wide-spread illiteracy, a shortage of skilled and professional workers, inadequate investment capital and relatively inefficient governmental administration.

In the Philippines, in addition, there has been some friction between the U.S. representation and the Quirino Government resulting from the disclosures of the Hardie report on land tenure conditions and from charges that the Americans have been attempting to influence the coming elections.

2. Summary of major developments in the psychological programs during the reporting period.

Since the operations of the Far East STEMs are not a part of an overall psychological program, there is nothing to report under this section.

3. Significant changes which have occurred since the period covered by the preceding report. (Far East-Philippines, Formosa, Associated States of Indo China, and Thailand).

Gradually during the reporting period, the emphasis of the work of the MEA/STEMS has moved from general information to more emphasis on program support and the build-up of the local government's information services. This change will continue in the coming period, as MEA withdraws entirely from the area of general information.

The suspension of U.S. technical assistance to Burma, at the request of the Burmese Government, has shown other underdevloped countries that

American assistance programs are truly cooperative in nature and will not be imposed on countries which prefer not to participate in them.

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- 6 -

Throughout the Far East countries receiving MSA assistance there has been a general increase in the use of technical assistance publications, with an accompanying increase in understanding of and respect for American technical achievements.

4. B. Substantive Subjects or Activities Which Cut Across Ares Lines

(1) Role of Japanese

Conditions remain substantially unchanged since the last report, although in its own self-interest, the Philippine Government is moderating its hostility toward Japan. This moderation of attitude has been shown by the Government's grant of amnesty to Japanese war criminals held in the Philippines, by its recently-expressed willingness to consider the question of Japanese membership in ICAO separately from its reparations claim, by its extension of the barter agreement with Japan and by the increasing volume of trade between the two countries, a trade which on balance is favorable to the Philippines. Some moderation of the popular attitude is also reported as evidenced by a slackening in overt demonstrations of hostility toward individual Japanese on the streets of Manila.

5. Stees taken to Implement Approved PSB Plans

This phase of the work has been handled by USIS. In most instances the Country Plan has been developed with close cooperation and assistance of MSA officials.